DANNHAUSER MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

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ACCOUNTING POLICIES

1. BASIS OF PRESENTATION

1.1 These financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Treasurers and Accountants in its Code of Practice for Local Government Accounting (1997) and the Published Annual Financial Statements for Local Authorities (2nd Edition, as amended).

1.2 The financial statements are prepared on the historical cost basis, adjusted for Capital expenditure as more fully detailed in note 3. The accounting policies are consistent with those applied in the previous year, except otherwise indicated.

1.3 The financial statements are prepared on the accrual basis:
- Income is accrued when collected and measurable
- Expenditure is accrued in the year it is incurred.

2. CONSOLIDATION

The balance sheet includes the Rates and General Services, Housing Service and the different funds, provisions and reserves.

3. FIXED ASSETS

3.1 Fixed assets are stated in the financial statements:
- at historical cost, or
- at valuation, (based on the market price at date of acquisition), where assets have been acquired by grant or donation, while they are in existence and fit for use.

3.2 Depreciation

The balance shown against the heading "Loans Redeemed and Other Capital Receipts" in the notes to the balance sheet is tantamount to a provision for depreciation, however, certain structural differences do exist. By way of the "provision" assets are written down over their estimated useful life. Apart from advances from the various Council Funds assets may also be acquired through:
- Appropriations from income, where the full cost of the asset forms an immediate and direct charge against the operating income and it is therefore unnecessary to make any further provision for depreciation.

- Grant or donation, where the amount representing the value of such grant or donation is immediately credited to the "Loans Redeemed and Other Capital Receipts" account.

3.3 Sale of fixed property

All net proceeds from the sale of fixed property are credited to the Public Improvement Fund. Net proceeds from the sale of all other assets are credited to the Consolidated Capital Development Fund.

3.4 Financing

Fixed assets are financed from different sources including external loans, operating income, grants and subsidies, public contributions and internal advances.

These loans and advances are repaid within the period of the estimated useful lives of the assets acquired from such loans and advances. Interest is charged to the services concerned at the interest rate applicable to the loans and as determined by Council at the time the advance is made.

4. FUNDS AND RESERVES

4.1 Consolidated Capital Development Fund

In terms of Section 103 (9) (b) of the Local Authorities Ordinance 1974, (No.25 of 1974) a contribution is required to be made to the Capital Development Fund equivalent to 3% of gross revenue.

4.2 Provision and Reserves

Contributions are made to the various reserves and provisions on the basis of estimates of future expenditure that is known at the time of making the estimate but the amount cannot be determined with substantial accuracy.

5. INVESTMENTS

Investments are stated in the financial statements at cost and are invested in accordance with the requirements of the Circular No.10 of 1992 issued by the office of the Auditor-General.

6. STOCK

Stock on hand is stated in the financial statements at the lower of cost, determined on the first in first out method, and net realisable value.

7. RETIREMENT BENEFITS

The Council and its employees contribute to the Natal Joint Municipal Pension Fund's three funds which provide retirement benefits to such employees.

The funds are subject to the Pension Funds Act, 1956, and are self-administered, defined benefit plans. Pensions are calculated on the average annual pensionable emoluments during the last years of service.
Current contributions are charged against operating income on the basis of current service costs. Full actuarial valuations are performed every three years.

8. SURPLUSES AND DEFICITS

Surpluses or deficits arising from the operations of the Water Service are required by section 243 (2) of the Local Authorities Ordinance, 1974 (No.25 of 1974) to be used for water purposes only. Surpluses or deficits arising from the operations of the Housing Service are required by section 15 (4) and (5) of the Housing Act, No. 107 of 1997 to be dealt with in the Housing Operating Account.

9. INCOME RECOGNITION

9.1 Assessment Rates

Dannhaser Municipality applies a differential site rating system. In terms of this system assessment rates are levied on the value of land and improvements of a property and rebates determined by council from time to time are granted to owners of property.

DANNHAUSER MUNICIPALITY

BALANCE SHEET AT 30 JUNE 2008

	Note	2008 R	2007 R
CAPITAL EMPLOYED			
FUNDS AND RESERVES		5 129 316	5 481 442
Statutory funds	1	5 005 201	5 398 908
Reserves	2	124 115	82 534
ACCUMULATED SURPLUS	16	10 451 985	6 216 587
		15 581 300	11 698 029
LONG TERM LIABILITIES	3	0	657 830
CONSUMER DEPOSITS	11	0	0
		15 581 300	12 355 859
EMPLOYMENT OF CAPITAL			
FIXED ASSETS	4	2 377 799	511 995
INVESTMENTS	5	0	0
LONG TERM DEBTORS	6	0	0
DEFERRED FINANCE CHARGES	3	0	1 580
		2 377 799	513 575
NET CURRENT ASSETS		13 203 502	11 842 284
CURRENT ASSETS		27 622 621	27 609 380
Stock	7	0	0
Debtors	8	6 839 228	13 081 871
Long Term Debtors - short term portion	6	0	0
Investments	5	19 939 455	14 091 990
Cash	21	843 938	435 519
CURRENT LIABILITIES		14 419 119	15 767 096
Provisions	9	890 445	654 972
Creditors	10	12 872 424	14 199 081
Loans - short term portion	3	656 250	913 043
		15 581 300	12 355 859

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INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

2007 Actual Income	2007 Actual Expenditure	2007 Surplus/ (Deficit)		2008 Actual Income	2008 Actual Expenditure	2008 Surplus/ (Deficit)	2008 Budget Surplus/ (Deficit)
R	R	R		R	R	R	R
21 774 996	12 131 431	9 643 567	RATES AND GENERAL SERVICES	23 497 115	12 547 993	10 949 122	9 278 380
1 644 594	7 353 145	(5 708 551)	COMMUNITY SERVICES	2 566 980	8 955 701	(6 389 721)	(8 770 010)
0	0	0	HOUSING SERVICES	0	0	0	0
0	0	0	WATER SERVICES	0	0	0	0
23 419 592	19 484 576	3 935 016	TOTAL	26 063 095	21 503 694	4 559 401	508 370
		(60 114)	Appropriations, for the year (refer to note 16)			(324 003)	
		3 874 902	Net surplus/(deficit) for the year			4 235 398	
		2 341 665	Accumulated surplus beginning of the year			6 216 567	
		6 216 567	ACCUMULATED SURPLUS / (DEFICIT) END OF THE YEAR			10 451 965	

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CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 R	2007 R
CASH RETAINED FROM OPERATING ACTIVITIES:		8 882 420	3 230 781
Cash generated by operations	17	5 670 020	5 738 921
Investment income	15	1 465 605	1 014 108
(Increase) / Decrease in working capital	18	(7 569 301)	(3 373 573)
		(433 675)	3 379 456
LESS : External interest paid		(116 484)	(148 675)
Cash available from operations		(550 159)	3 230 781
Cash contributions from the public and State		9 432 580	0
Proceeds from the disposal of fixed assets		0	0
CASH UTILISED IN INVESTING ACTIVITIES:		(1 713 491)	(317 644)
Investment in fixed assets	4	(1 713 491)	(317 644)
NET CASH UTILISED		7 168 929	2 913 137
CASH EFFECTS OF FINANCING ACTIVITIES:			
Increase / (Decrease) in long-term loans	19	(913 043)	(973 965)
(Increase) / decrease in cash investments	20	(5 847 465)	(2 460 933)
(Increase) / Decrease in cash on hand and at bank	21	(408 421)	521 760
NET CASH FLOW		(7 168 929)	(2 913 138)

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NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

	2008 R	2007 R
1. STATUTORY FUNDS		
Consolidated Capital Development Fund	3 948 253	3 948 253
Public Improvement Fund	845 885	1 239 592
Housing Operating Account	211 063	211 063
(Refer to appendix A for more detail)	5 005 201	5 398 908
2. RESERVES		
Renewals Fund - Rates & General Services	82 534	82 534
(DM) Funding Reserves	41 581	0
(Refer to appendix A for more detail)	124 115	82 534
3. LONG TERM LIABILITIES		
uMsekeli	656 250	1 531 250
Interest is payable at standard government rate less 4%		
Quarterly repayments commencing from 31 March 2005		
Instalment Sale Agreements	0	39 623
LESS: Deferred Finance Charges	0	(1 580)
Annuity Loans	0	0
	656 250	1 569 293
Less: Current portion transferred to Current liabilities	656 250	913 043
uMsekeli	656 250	875 000
Instalment sale Agreements	0	38 043
Annuity Loans	0	0
	0	0
(Refer to appendix B for more detail on long term liabilities)	0	656 250

Interest is payable at rates varying between 8.5% and 13.45% per annum and the annuity loans will be fully redeemed by 31 December 2007
None of the annuity loans are secured over any of the assets of the Dannhauser Municipality

The instalment sale agreements are being repaid in monthly instalments of R11 640 and are secured over movable assets having a book value at 30 June 2004 of 777 625 777 625

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NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

		2008 R	2007 R
4.	FIXED ASSETS		
	Fixed assets	11 517 923	11 200 279
	Capital outlay during the year	1 713 491	317 644
	Less : Assets written off, transferred or disposed of during the year	0	0
	Total fixed assets	13 231 414	11 517 923
	Less : Loans redeemed and other capital receipts	10 853 615	11 005 928
	Net fixed assets	2 377 799	511 995

(Refer to appendix C and section two of the Chief Financial Officer's Report for more detail on fixed assets)

5.	INVESTMENTS		
	Unlisted :		
	Long term deposits	0	0
	Call deposits	19 939 455	14 091 990
	Total Investments	19 939 455	14 091 990
	Managements' valuation of unlisted investments.	19 939 455	14 091 990
	Average gross rate of return on investments	9%	14%

Local authorities are required to invest funds which are not immediately required, with prescribed institutions and the period should be such that it will not be necessary to borrow funds against the investment at a penalty rate to meet commitments.

The deposits have been pleged as security for facilities granted by the Municipality's bankers

6.	LONG TERM DEBTORS		
	Car loans	0	0
	LESS: Provision for doubtful debts	0	0
		0	0
	Study Loan	0	0
		0	0
	LESS: short-term portion	0	0
		0	0

Amounts totalling R NIL (2007 - R NIL) were written off as bad debts.

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NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

	2008 R	2007 R
7. STOCK		
General		
Diesel & Oil		
Water	0	0
No stores was in operation during the last two (3) financial years		
8. DEBTORS		
Consumer debtors	5 354 291	9 613 136
Loans - Personal	0	0
Staff Debtors	675 994	1 570 516
Suspense & Sundry Debtors	510 765	2 004 526
Housing Rental Debtors	0	0
Land Sale debtors	0	0
Other debtors	2 215 632	1 508 081
Inter-Authority Debtor	233 268	254 248
Receiver of Revenue - Value added tax	(295 520)	(13 413)
LESS: Provision for doubtful debts	(1 855 223)	(1 855 223)
	6 839 228	13 081 871
Bad debts totalling R NIL (2007: R NIL) were written-off in 2008		
Debtors written of as a percentage of operating income	0%	0%
Number of days consumer debtors outstanding	208	462
Consumer Debtor Ageing :		
Current & 30 days	0	0
60 days & more	0	0
	0	0
9. PROVISIONS		
Leave pay	890 445	654 972
(Refer to appendix A for more detail)	890 445	654 972

DANNHAUSER MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

	2008 R	2007 R
10. CREDITORS		
Trade Creditors and accruals	1 043 407	940 970
Unspent Conditional Grants	8 085 082	7 337 572
Other creditors & deposits	3 743 935	5 920 539
	12 872 424	14 199 081
11. CONSUMER DEPOSITS		
	0	0

There were no guarantees in lieu of deposits.

12. ASSESSMENT RATES

	Valuation at 30/06/2008	Actual Income	Actual Income
Rateable			
Residential			
Commercial	87 488 600	4 651 435	5 773 154
State			
Municipal			
		4 651 435	5 773 154

Revaluations are required to be carried out at intervals not exceeding five years.

The last general revaluation was on	5/14/2007	26/03/2002
Rate randage - Dannhauser		
Land	0.21292845c / R1	0.162954c / R1
Vacant Land	0.26515440c / R1	0.202924c / R1
Buildings	0.01104705c / R1	0.008455c / R1
Rate randage - Hattingspruit		
Land	0.06642825c / R1	0.445c / R1
Vacant Land	0.06642825c / R1	0.445c / R1
Buildings	0.02915850c / R1	0.445c / R1
Rebate to qualifying pensioners	10%	10%

DANNHAUSER MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

	2008 R	2007 R
13. COUNCILLORS' REMUNERATION		
Mayor's allowance	237 159	185 739
Deputy Mayor's allowance	191 435	141 931
Speaker's allowance	191 435	156 110
Executive committee allowances	540 009	292 687
Ordinary Concillor's allowances	1 865 365	1 593 313
Other Allowances	127 131	571 162
Pension Fund Contributions	782 166	486 031
	3 934 699	3 426 974

The salaries, allowances and benefits of all political parties are within the upper limits of the framework as envisaged in Sect 219 of the Constitution read with the Remuneration of Public Office Bearers Act, No 20 of 1998.

14. AUDITORS' REMUNERATION		
Audit fees	235 473	422 022
15. FINANCE TRANSACTIONS		
Total external interest earned or paid:		
Interest earned	1 465 605	1 014 108
Interest paid	116 484	148 675
Capital charges debited to operating account:		
Interest : External	116 484	148 675
Internal	0	48 946
Redemption : External	913 043	973 965
Internal	401 267	104 177
Proir year adjustment External	0	0
	1 430 794	1 275 763
16. APPROPRIATIONS		
Appropriation account		
Accumulated surplus / (deficit) at the begining of the year	6 216 587	2 341 665
Operating surplus / (deficit) for the year	4 559 401	3 935 016
Appropriations for the year	(324 003)	(60 114)
Prior year Expenditure	(324 003)	(60 114)
Interest Temporary Advances 2003/2004	0	0
Accumulated surplus at the end of the year	10 451 985	6 216 587
Operating account		
Capital expenditure	260 081	56 034
Contributions to provisions:	0	309 104
Bad debts	0	0
Leave pay	0	309 104
Contribution to Consolidated Capital Development Fund	0	723 030
Disaster Management	0	0
	260 081	1 088 168

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NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

	2008 R	2007 R
17. CASH GENERATED BY OPERATIONS		
Surplus / (deficit) for the year	4 559 401	3 935 016
Adjustments in respect of:		
Previous years' operating transactions	0	0
Appropriations charged against Income:		
Consolidated Capital Development Fund	260 081	1 088 168
Provisions	0	723 030
Doubtful debts	0	309 104
Stale Cheques witten back	0	0
Fixed Assets	0	0
	260 081	56 034
Capital charges :		
Interest paid :	1 430 794	1 275 763
- to internal fund	0	48 946
- on external loans	116 464	148 675
- internal advances - prior year		
Redemption :		
- of internal advances	401 267	104 177
- of external loans	913 043	973 965
Investment Income (operating account)	0	0
Prior year Adjustments	0	0
Non-operating expenditure :		
Expenditure charged against Accumulated funds and reserves	(580 256)	(560 026)
	5 670 020	5 738 921
18. (INCREASE) / DECREASE IN WORKING CAPITAL		
Decrease / (Increase) in stock	0	0
(Increase) / Decrease in debtors, long term debtors	(6 242 643)	(4 798 364)
Increase / (Decrease) in creditors and deposits	(1 326 657)	1 424 791
	(7 569 301)	(3 373 573)
19. INCREASE / (DECREASE) IN LONG-TERM LOANS (EXTERNAL)		
Loans raised	0	0
Loans redeemed	(913 043)	(973 965)
	(913 043)	(973 965)
20. (INCREASE) / DECREASE IN EXTERNAL CASH INVESTMENTS		
Investments made	(19 939 455)	(11 720 300)
Investments realised	14 091 990	9 259 367
	(5 847 465)	(2 460 933)
21. (INCREASE) / DECREASE IN CASH ON HAND AND AT BANK		
Cash balance: beginning of the year	435 519	957 279
Less: Cash balance end of the year	843 938	435 519
	(408 419)	521 760

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NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

	2006 R	2007 R

22. RETIREMENT BENEFITS

Employees belong to the following funds within the Natal Joint Municipal Pension Fund which provides retirement benefits to such employees.
(i) Natal Joint Municipal Pension Fund (retirement)
(ii) Natal Joint Municipal Pension Fund (superannuation).
(ii) Natal Joint Municipal Pension Fund (provident).
The retirement plans are subject to the Pension Funds Act, 1956 with pensions being calculated on the final pensionable remuneration paid. Current contributions are charged against operating income on the basis of current service costs.

Full actuarial valuations are performed at least every three years. The latest independent valuation. undertaken on 31 March 2002, indicated a surplus of R13.8 million in respect of the Superannuation Fund and a deficit of R103.4 million in respect of the Retirement Fund. The fund has decided that no further surcharge is required from 01 July 2002.

The Provident Fund was in sound financial position whereby its assets exceeded its liabilities.

As the final retirement benefits payable to members are determined solely by the contributions paid to the fund, together with investment earnings thereon, the Municipality has no unfunded liabilities.

23. CAPITAL COMMITMENTS

Commitments in respect of capital expenditure:		
Approved and contracted for	10 089 149	6 392 322
Approved but not yet contracted for	6 689 900	7 997 628
	16 779 049	14 389 950
This expenditure will be financed from:		
Internal sources	0	7 826 628
External sources	0	6 563 322
	0	14 389 950

DANNHAUSER MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

	2008 R	2007 R
24. CONSOLIDATED CAPITAL DEVELOPMENT FUND		
Outstanding advances to borrowing services:		
Accumulated fund	3 948 253	3 948 253
Less: External investments	3 948 253	3 546 986
Temporary advance	0	0
(Refer to appendices A and B for more detail)	0	401 267
25. PUBLIC IMPROVEMENT FUND		
Outstanding advances to borrowing services:		
Accumulated fund	845 885	0
Less: Capital Outlay	845 885	0
External investments	0	0
(Refer to appendices A and B for more detail)	0	0
26. HOUSING OPERATING ACCOUNT		
Outstanding advances to borrowing services:		
Accumulated fund	211 063	(1 580)
less: External investments	211 063	(1 580)
Temporary advance	0	0
(Refer to appendices A and B for more detail)	0	0
27. CONTINGENT LIABILITIES AND CONTRACTUAL OBLIGATIONS		
Guarantees by	0	0
	0	0
28. BANK OVERDRAFT		
The Municipality's bankers have granted overdraft facilities of until 30 June 2005.	0	0
Interest is chargeable at prime rate for overdrafts.		
Security:		
Cession of Councils Investments	0	0
	0	0

No overdraft facilities were available for the year ending 30 June 2007

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NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

	2008 R	2007 R

29. SENIOR MANAGEMENT REMUNERATION

In terms of Section 124 of the Municipal Finance Management Act. No. 56 of 2003 the following information is disclosed:

Total gross remuneration of the municipal manager, chief financial officer and senior management.
The gross remuneration disclosed is for 12 months unless otherwise stated and includes performance bonus:

Municipal Manager	0	550 000
Chief Financial Officer *	307 824	307 824
Manager Technical Services	0	396 695
Manager Health Services	0	369 395
Manager Secretarial Services	0	370 467
Manager in the Municipal Managers Office	0	300 000
	307 824	2 294 381

* Only section 57 employee was CFO.

30. PRIMARY BANK ACCOUNT

Standard Bank of South Africa

DANNHAUSER MUNICIPALITY

APPENDIX A ACCUMULATED FUNDS , PROVISIONS AND RESERVES

	Balance at 30/06/2007	Contri - butions during the year	Interest on Investments	Other income	Expenditure during the Year	Balance at 30/06/2008
ACCUMULATED FUNDS	R	R	R	R	R	R
Consolidated Capital Development Fund	3 948 253	0	0	0	0	3 948 253
Public Improvement Fund	1 239 592	0	0	0	393 707	845 885
Housing Operating Account	211 063	0	0	0	0	211 063
	5 398 908	0	0	0	393 707	5 005 201
PROVISIONS						
Leave pay	654 972	0	0	0	0	654 972
Audit Fees	422 022	0	0	0	186 549	235 473
Bad Debts	1 855 223	0	0	0	0	1 855 223
	1 076 994	0	0	0	186 549	890 445
RESERVES						
Renewals Fund - Rates & General Services	82 534					82 534
DM Funding Reserves	0	41 580.64				41 581
	0					0
	82 534	41 581	0	0	0	124 115

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APPENDIX B EXTERNAL LOANS AND INTERNAL ADVANCES

	Balance at 30/06/2007	Received During the Year	Redeemed or Written off During the Year	Transferred During the Year	Balance at 30/06/2008
	R	R	R		R
LONG TERM OPERATING LOAN					
Redeemable					
Umsekeli	1 531 250	0	875 000		656 250
	1 531 250	0	875 000		656 250
ANNUITY LOANS					
Rates and General Services	0	0	0	0	0
	0	0	0	0	0
OTHER LOANS					
Instalment Sale Agreements					
ABSA Bank	39 623	0	39 623		0
LESS: Deferred Finance Charges	(1 580)		(1 580)		0
	38 043	0	38 043	0	0
(Refer to notes 3)	1 569 293	0	913 043	0	656 250

INTERNAL ADVANCES TO BORROWING SERVICES

Capital Development Fund	401 267	0	401 267	0
	401 267	0	401 267	0

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APPENDIX C : ANALYSIS OF FIXED ASSETS

Expenditure 2007 R	Service R	Budget 2008 R	Balance at 30/06/2007 R	Expenditure 2008 R	Written off transferred R	Balance at 30/06/2008 R
317 644	**Rates and General Services**	7 051 865	11 517 922	1 713 491	0	13 231 413
73 624	**Community Services**	4 615 550	5 676 442	1 711 541	0	7 387 983
6 120	Administration		308 562	0		308 562
55 576	Council General	55 000	111 906	0		111 906
0	Civic Buildings		1 402 586	1 711 541		3 114 127
9 928	Protection Services	425 000	242 240	0		242 240
0	Treasury	64 750	618 763	0		618 763
0	Health		19 872	0		19 872
0	Vehicles	450 000	279 999	0		279 999
0	Roads	3 620 800	2 692 514	0		2 692 514
239 276	**Subsidised Services**	2 369 650	993 206	1 950	0	995 156
0	Library		280	0		280
0	Gardens, Recreation and Cleansing	2 216 650	527 637	0		527 637
239 276	Land & Buildings	171 000	465 289	1 950		467 239
4 742	**Economic Services**	46 665	642 001	0	0	642 001
0	Refuse Dump		617 137	0		617 137
4 742	Workshop	46 665	24 864	0		24 864
0	**Housing Services**	0	3 927 607	0	0	3 927 607
0	Economic and Sub-economic Housing		3 927 607	0		3 927 607
0	**Public Improvement Fund**	0	278 666	0	0	278 666
0	Land and Improvements	0	278 666	0	0	278 666
317 644	TOTAL FIXED ASSETS	7 051 865	11 517 922	1 713 491	0	13 231 413
268 399	LOANS REDEEMED AND OTHER CAPITAL RECEIPTS		11 005 928	(162 313)	0	10 853 615
212 365	Loans redeemed		1 094 447	0	0	1 094 447
56 034	Contributions from operating income		260 081	0	0	260 081
0	Grants and Subsidies		9 522 244	(546 021)	0	8 976 223
0	Sale of Assets		84 636	393 708	0	478 344
0	Endowments		44 520	0	0	44 520
						0
49 245	NET FIXED ASSETS		511 994			2 377 798

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APPENDIX D ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2008

Actual 2007 R		Actual 2008 R	Budget 2008 R
	INCOME		
	Grants and Subsidies		
15 366 971	Central Government	17 009 594	22 104 109
514 998	Provincial Government	1 577 926	1 633 000
	Operating Income		
5 773 154	Assessment Rates	4 651 435	3 538 599
354 904	Refuse Removal	314 371	748 406
1 409 566	Other Service Charges	2 509 768	1 586 210
23 419 593		26 063 094	29 610 324
	EXPENDITURE		
11 944 689	Salaries, wages and allowances	12 162 463	14 693 533
4 941 097	General expenses	4 216 337	10 207 097
345 601	Repairs and maintenance	2 538 864	2 375 800
1 176 905	Capital charges	0	0
42 150	Contributions to fixed assets	1 773 512	1 324 627
1 032 134	Contributions	812 518	500 895
19 484 576	Gross expenditure	21 503 694	29 101 952
0	Less: Amounts charged out	0	0
19 484 576	Net expenditure	21 503 694	29 101 952

APPENDIX E : DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

2007 Actual income R	2007 Actual expenditure R	2007 Surplus/ (deficit) R		2008 Actual income R	2008 Actual expenditure R	2008 Surplus/ (deficit) R	2008 Budget surplus/(deficit) R
			Rates and General Services				
21 774 988	12 131 431	9 643 557		23 487 115	12 547 093	10 940 122	8 278 389
5 773 154	0	5 773 164	Assessment Rates	4 691 436	0	4 661 435	3 636 599
0	4 220 566	(4 220 566)	Council General	105 981	5 203 299	(5 097 318)	(3 782 030)
0	1 604 081	(1 604 081)	Corporate Services	97 036	2 504 347	(2 407 312)	(2 087 451)
16 001 844	5 264 481	10 737 363	Treasury	18 642 665	4 379 623	14 263 041	12 925 208
0	1 042 323	(1 042 323)	Municipal Manager	0	460 724	(460 724)	(1 345 946)
1 844 584	7 353 148	(5 708 561)	Community Services	2 665 960	8 856 701	(6 190 727)	(6 776 010)
719 053	897 713	(178 660)	Protection Services	692 846	953 207	(260 712)	(212 381)
72 931	2 602 353	(2 529 422)	Technical Services	125 866	3 416 667	(3 290 791)	(5 091 013)
666 283	3 405 003	(2 738 720)	Community Services	612 536	4 228 180	(3 715 643)	(3 578 287)
0	0	0	Own Development			0	
(12 000)	448 076	(460 076)	Development Planning	1 234 970	357 557	877 414	111 671
0	0	0	108			0	
(1 673)	0	(1 673)	110			0	
	0		111			0	
	0		112			0	
0	0	0	Trading Services	0	0	0	0
0	0	0	Water	0	0	0	0
0	0	0	Housing Services	0	0	0	0
0	0	0	Economic and	0	0	0	0
0	0	0	Sub-economic Housing	0	0	0	0
23 419 692	19 484 676	3 935 016	TOTAL	26 093 096	21 503 694	4 589 401	508 370
		(60 114)	Appropriations for this year (refer to note 16)				
		3 874 902	Net surplus / (deficit) for the year			(324 003)	
		2 341 685	Accumulated surplus / (deficit) beginning of the year			4 235 398	
						6 216 587	
		6 216 587	Accumulated surplus / (deficit) end of year			10 451 985	

DANNHAUSER MUNICIPALITY

APPENDIX F : STATISTICAL INFORMATION

	2008	2007	2006
Population	0	102 700	102 700
Value of Rateable Property			
Land	0	10 972 800	11 262 500
Improvements	0	118 113 400	121 066 300
Building Clauses	0.00	298 000.00	298 000.00
	0	129 384 200	132 626 800
Value of Non-rateable Property			
Land	0	2 888 200	2 696 000
Improvements	0	5 266 500	4 758 700
	0	8 154 700	7 454 700
Fixed Date of last valuation	01 January 2002	01 January 2002	01 January 2002
Assessment Rates - Cents/Rand			
Dannhauser			
Land	0.000000	0.202789	0.202789
Vacant Land	0.000000	0.252528	0.252528
Improvements	0.000000	0.010521	0.010521
Hattingspruit			
Land	0.000000	0.632650	0.445000
Vacant Land	0.000000	0.632650	0.445000
Improvements	0.000000	0.277700	0.195000
Rebates to qualifying pensioners	10.00%	10.00%	20.00%
Number of Employees	0	120	120